United Nations S/2005/533

Security Council

Distr.: General
18 August 2005

Original: English

Progress report of the Secretary-General on the United Nations Office in Timor-Leste

(for the period 13 May to 15 August 2005)

I. Introduction

1. By its resolution 1599 (2005) of 28 April 2005, the Security Council decided to establish the United Nations Office in Timor-Leste (UNOTIL) and requested me to keep it closely and regularly informed of developments on the ground, the implementation of the mandate of UNOTIL, and the planning for a transition to a sustainable development assistance framework by 20 May 2006. The Council also requested me to submit a report by 28 August 2005. The present report covers major developments on the ground since my end of mandate report on the United Nations Mission of Support in East Timor (UNMISET) dated 12 May 2005 (S/2005/310) and describes the activities undertaken by UNOTIL since its inception.

II. Recent political and security developments in Timor-Leste

2. During the reporting period, the overall situation in Timor-Leste remained calm and stable, except for a few isolated incidents involving mostly martial arts and political opposition groups. In order to curb the violent activities of martial arts groups, a series of initiatives was undertaken, with the support of President Xanana Gusmão, which culminated in the signing of a joint declaration by 14 groups on 30 June. The signatories to this declaration committed themselves to preventing, reducing and eradicating acts of violence between martial arts groups. On 22 July, six members of a political opposition group were detained in Lautem district following violent clashes with the local community, which reportedly opposed the group's opening of an office and the raising of its flag in the village of Pitilete. Following the incident, from 22 to 29 July, the Timorese national police conducted coordinated search operations of that group's premises across the eastern part of the country, reportedly seizing items including military uniforms, machetes, knives, flags, a firearm and ammunition. Subsequently, the coordinator of the group submitted a complaint to the Provedor for Human Rights and Justice.

3. Local elections were held in two phases in the districts of Cova Lima, Ermera and Viqueque, on 12 and 18 May, and in those of Ainaro, Aileu and Manufahi, on 27 June and 2 July. The elections were conducted in a peaceful and orderly manner,

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and the average voter turnout reached about 86 per cent. While the ruling party won a relative majority, opposition and independent candidates fared well, especially in Cova Lima and Ermera, jointly securing about half of the contested seats. Although some technical difficulties primarily involving voter verification continued to be encountered, improvements were noted in voter education and in the level of cooperation between the Secretariat for the Technical Administration of Elections (STAE), the local authorities and the police. Local elections have now been held in 11 of Timor-Leste's 13 districts, and preparations have begun for the final round to be held in the districts of Dili and Liquica in late September 2005.

4. Further advances were made towards strengthening the Timorese institutional and legal framework. Two important organs provided for in the Constitution, namely the Superior Council for Defence and Security and the Council of State, were inaugurated on 12 and 17 May respectively, providing the President with the institutional support required for implementation of his mandate. The Provedor for Human Rights and Justice and his two Deputies were sworn in by the National Parliament during the reporting period. The office of the Provedor provides an important legal instrument to address, inter alia, the continued reports of human rights violations by the Timorese police, including excessive use of force, ill-treatment and arbitrary arrest and detention. On 25 July, the National Parliament approved the statute of the Office of the Public Prosecutor, which establishes the procedure for appointment of the Prosecutor-General, sets out the organic structure of the Office of the Prosecutor-General and provides for the Superior Council of the Prosecution Service. On 29 July, the Parliament gave its authorization for the adoption of the penal code and of the penal and civil procedure codes by government decree.

5. A decree law on restructuring of the Government was promulgated on 28 June, raising the total number of ministries from 10 to 15 and establishing, inter alia, five new Secretary of State posts for the coordination of regional development and investment programmes. Pursuant to the law, on 27 July Prime Minister Mari Alkatiri officially announced the composition of the new Government, which has 41 members, of whom 7 are women and 2 have strong ties with an opposition party. The new Government was sworn in by President Gusmão on 28 July. Another major legislative development that occurred during the reporting period was the approval by the National Parliament of the draft law on freedom of assembly and demonstration on 18 July 2005, following a positive decision of the Court of Appeal on its constitutionality. The parliamentary resolutions to ratify the Conventions on the Privileges and Immunities of the United Nations and the Specialized Agencies were also approved by the National Parliament on 19 July. Moreover, during the reporting period, the National Parliament approved the law on the Petroleum Fund, the law on petroleum taxation and the law on petroleum activities. The laws on domestic and external investment, the parliamentary laws on the juridical regime of real estate (part II) and on licensing, oversight and regulation of insurance companies and insurance brokers, and Government decrees on the Institute of Health Sciences and on the statutes for hospitals were also promulgated during the period under review. However, no progress was registered on the formulation of key legislation for the establishment of the High Administrative Tax and Audit Court, as mandated by the Constitution, or on the drafting of the electoral law for the parliamentary elections scheduled to be held in 2007.

6. Following the signing of a joint declaration by Prime Minister Alkatiri and the bishops of Dili and Baucau on 7 May, acknowledging that religious teaching must be included as a regular discipline in the school curriculum, relations between the Government and the church have normalized. On 9 June, the Council of Ministers approved a new curriculum that includes one hour of religious teaching per week during normal school hours, attendance being subject to parental consent. The joint working group established pursuant to the 7 May declaration, comprising 40 representatives from the Government, the Catholic Church and other religious denominations, met twice during the reporting period to examine proposals to reform the state education curriculum and other issues of concern.

7. Relations between Timor-Leste and Indonesia continued to improve. The foreign ministers of the two countries met in Bali on 18 and 19 June to address issues related to the bilateral Commission for Truth and Friendship and their common border. Subsequently, a Timorese delegation travelled to Jakarta to attend the third meeting of the Joint Ministerial Commission on 7 and 8 July. A number of outstanding issues were discussed, including border issues. According to the joint statement issued at the end of the meeting, agreement was reached, inter alia, on completion of negotiations on unresolved segments of the common land boundary by the end of the year; the establishment of a new border management mechanism between Timor-Leste and Indonesia's border security agencies; the opening of a bus line from the enclave of Oecussi to mainland Timor-Leste; and the issuance of border passes to the residents of border areas.

8. On 1 August, the Governments of Timor-Leste and Indonesia officially announced the names of the 10 members — 5 from each country — of the bilateral Commission for Truth and Friendship. The Commission met for the first time in Denpasar, Bali, on 4 and 5 August, to discuss matters related to its internal structures, working procedures and programme of work. The 10 members of the Commission and five of their six alternates were sworn in by President Gusmão and his Indonesian counterpart, President Susilo Bambang Yudhoyono, at an official ceremony held on 11 August in Bali, where the Commission's joint secretariat is located. On that occasion, the two Presidents also signed a memorandum of understanding on the establishment of the Commission.

9. The Commission of Experts which I established to review the prosecution of serious human rights violations committed in Timor-Leste in 1999 (see S/2005/310, para. 8) visited Jakarta from 18 to 20 May. During its visit, the Commission of Experts met with a number of relevant officials, including President Yudhoyono, the Minister for Foreign Affairs, the Commander-in-Chief of the Indonesian army, the Attorney General, the Chief Justice and public prosecutors. The Commission of Experts submitted its final report to me on 27 May, and I subsequently shared it with the Governments of Indonesia and Timor-Leste, for their comments, and with members of the Security Council. President Gusmão and Prime Minister Alkatiri conveyed their views on the report in separate letters addressed to me, dated 22 June. The report of the Commission of Experts and the comments of President Gusmão and Prime Minister Alkatiri were issued as Security Council documents on 22 and 25 July, respectively (S/2005/458 and S/2005/459).

III. Contribution of the United Nations

A. Role of the Mission

10. Pursuant to Security Council resolution 1599 (2005), by which the Council called on relevant stakeholders "to start immediate planning for a smooth and rapid transition from a special political mission to a sustainable development assistance framework", UNOTIL has placed special emphasis on the coordination of donor assistance and encouraged the implementation of measures towards sustainable long-term development in Timor-Leste. To this end, UNOTIL organized a "brainstorming" retreat with officials of the Timor-Leste Government, representatives of the diplomatic community, United Nations agencies, multilateral financial institutions and non-governmental organizations in Dili on 9 June, to discuss strategies and assistance programmes for the implementation of the Mission's mandate. Subsequently, in accordance with paragraph 6 of resolution 1599 (2005), my Special Representative, Sukehiro Hasegawa, established a consultative group to coordinate the assistance efforts of these stakeholders. The first meeting of the consultative group, chaired jointly by my Special Representative and Prime Minister Alkatiri on 28 June, was opened by President Gusmão and discussed the transition from UNOTIL to a sustainable development assistance framework. Specific consideration was given to the need to retain a number of key civilian adviser posts beyond the expiration of the UNOTIL mandate (see para. 20 below). The second meeting of the consultative group, held on 26 July, addressed the institutional capacity development of the Timorese national police (see para. 26 below).

11. In accordance with paragraph 2 of Security Council resolution 1599 (2005), UNOTIL has also instituted an internal monitoring, review and coordination mechanism known as the policy review and coordination meeting. Its primary purpose is to bring together a number of stakeholders, including civilian advisers, development partners, representatives of UNOTIL and other United Nations system actors, to monitor progress in the Mission's programme areas, review policy measures taken by the Government and contribute to the work of the consultative group.

12. Pursuant to Security Council resolution 1543 (2004), the Serious Crimes Unit, the Defence Lawyers Unit and the Special Panels for serious crimes concluded all activities on 20 May 2005, as the UNMISET mandate came to an end. However, in paragraph 9 of its resolution 1599 (2005), the Security Council underlined the need for the Secretariat, in agreement with Timor-Leste authorities, to preserve a complete copy of all the records compiled by the Serious Crimes Unit. As previously reported (S/2005/310, para. 19), 10 staff members were retained until 30 June for this purpose. During that period, they established copies of some 160,000 pages of the Unit's records. They also scanned about 10,000 photographs documenting forensic work and entered them into a database.

13. A handover ceremony was held in Dili on 3 June to mark the transfer of all court documents of the Special Panels for serious crimes to the Dili district court. All court files are now closed except to legal parties and other members of the public requesting access approved by a judge, per order of the President of the Court of Appeal. All records compiled by the Serious Crimes Unit, including all the copies that have been made for preservation by the Secretariat (see para. 14 below), are

stored in the Office of the Prosecutor-General of Timor-Leste, which previously housed the UNMISET Serious Crimes Unit. UNOTIL is helping to guard the premises of the Office of the Prosecutor-General, to ensure the security of the building and the records it contains.

14. Pursuant to paragraph 9 of Security Council resolution 1599 (2005), UNOTIL is negotiating an agreement on the preservation and management of the serious crimes records with the Timorese authorities to regulate, inter alia, the conditions under which copies of the records would be held by the United Nations and the circumstances in which the Organization would grant access to them. In this connection, an on-site evaluation was undertaken by the Archive and Records Management Section of the Secretariat to determine what arrangements needed to be made for the preservation of a full replica of these records by the Secretariat. Meanwhile, all records of the Serious Crimes Unit are under the jurisdiction of the Prosecutor-General of Timor-Leste, and no copies may be transferred to UNOTIL until the agreement between the United Nations and the Government of Timor-Leste is finalized. Once the agreement is concluded, the Secretariat will be required to undertake the preservation and management of the serious crimes records well beyond the expiration of the UNOTIL mandate, with considerable cost implications.

Programme 1
Support for the development of critical State institutions

15. By resolution 1599 (2005), the Security Council authorized the continued deployment of up to 45 civilian advisers to further the development of critical State institutions. Following a comprehensive review of the outstanding requirements of the Government and the public administration, 22 civilian advisers' posts, which were already provided under UNMISET, were retained for another year, while 23 new posts were instituted. In total, 2 advisers have been assigned to assist the Office of the President; 3 have been assigned to provide support to the National Parliament; 13 have been tasked to contribute to the functioning and further development of the Timorese judiciary; while the remaining 27 advisers have been deployed across various Government offices, including the Office of the Prime Minister, the Office of the Inspector General and the ministries of justice, foreign affairs, planning and finance, interior, the State administration and transport, communications and public works.

16. During the reporting period, UNOTIL civilian advisers continued to focus on the transfer of skills and knowledge to their Timorese counterparts, particularly in the areas of democratic governance, rule of law, justice, human rights, transparency and accountability. In this respect, seven legal advisers focused on strengthening democratic governance in the National Parliament and the Office of the President and contributed to the further development of the legislative framework of the public administration and the judiciary by helping with legal drafting. The technical assistance provided by UNOTIL legal advisers, in particular, proved essential to the development of the recently enacted Petroleum Fund Act, which lays the legal foundation for an accountable and transparent management of hydrocarbons.

17. In a letter to the Electoral Assistance Division of the Secretariat dated 12 July 2005, the Minister for Internal Administration, Anna Pessoa, requested continued assistance "in drafting the whole scope of electoral laws and procedures needed for the national elections scheduled for 2007". By the same letter, Ms. Pessoa also

requested support in negotiations with donors so as to obtain assistance in the areas of "information technology, database management, capacity-building, electoral management, operations and logistics" as required "in order to hold the national elections in a satisfactory manner". In consultation with the United Nations Development Programme (UNDP) project manager for electoral assistance in Timor-Leste and the Electoral Assistance Division, UNOTIL is exploring ways in which its civilian advisers can help cover some of the needs for electoral assistance outlined in the Minister's letter, as part of their efforts to assist the capacity-building of State institutions.

18. Despite significant progress towards the development of a viable justice sector, Timor-Leste continues to depend on the support of international advisers to ensure the proper functioning of the Courts, the development and enactment of relevant legislation and the training of national judicial actors. Thus, 18 judicial advisers, including four groups of judges, prosecutors and public defenders in the four district courts, continued to perform line functions at both the Court of Appeal and district courts to help reduce the backlog of cases and to ensure access to justice services at the district level. In this regard, although the serious crimes process terminated on 20 May 2005 in accordance with Security Council resolution 1543 (2004), one international prosecutor and two international defence lawyers continued to assist the Timorese Court of Appeal so as to ensure the completion of pending trials. During the reporting period, UNOTIL judicial advisers continued to provide training to 15 judges, 15 prosecutors and 10 public defenders, most of whom are expected to assume their duties in the national courts by May 2006. It is envisaged, however, that following completion of the training programme, the Timorese judges will continue to require on-the-job training, mentoring and supervision until the end of 2006. A coordinated strategy will need to be put in place to meet this requirement through assistance offered by bilateral and multilateral partners, and to ensure a smooth transition.

19. UNOTIL advisers in the areas of trade and investment continued to support the Government's capacity-building efforts and to provide valuable technical assistance. In the finance sector, eight UNOTIL advisers helped to enhance the transparency and accountability of the Office of the Treasury, the Office of the Inspector General and line authorities. To this end, they focused, in particular, on the transfer of skills and knowledge and on the elimination of corruption through relevant public information, education and advocacy campaigns, as well as the implementation of corrective measures. However, inadequate transparency and accountability in various sectors of public administration remains a matter of concern. Instances of bribery, theft of public funds and corruption continue to be reported and appear to be on the increase, particularly in the areas of procurement and customs. At the first meeting of the consultative group (see para. 10 above), the Minister of Planning and Finance stated that international support continued to be required to improve the public financial management system, as well as the management of oil resources. As reported in paragraph 37 below, the World Bank and the International Monetary Fund (IMF) are expected to provide technical assistance in these areas.

20. Meanwhile, efforts are under way to phase out the assistance provided by UNOTIL civilian advisers before the expiration of the Mission's mandate. At its first meeting, the consultative group reviewed donors' commitments to supporting a smooth transition from UNOTIL to a sustainable development assistance framework. The pledges made by bilateral and multilateral donors included

continued funding of key civilian adviser posts currently provided by UNOTIL. Ultimately, while the World Bank is expected to secure funding for most civilian adviser posts in the finance sector, it is hoped that UNDP will be able to absorb key civilian adviser posts in the sectors of justice, rule of law and democratic governance.

21. As a result of these pledges, it may become possible to reduce the number of UNOTIL civilian advisers before May 2006. In the longer term, the requirements for advisory assistance are expected to decrease as additional progress is achieved in the development of State institutions. The Capacity Development and Coordination Unit of the Office of the Prime Minister, for example, is expected to assume responsibility for coordinating the activities of UNOTIL and UNDP civilian advisers by the end of August 2005, in an effort to entrust the Government of Timor-Leste with greater managerial authority and responsibility, as well as to enhance the coordination of institutional capacity development support programmes.

Programme II
Support for further development of the Timorese police

22. By its resolution 1599 (2005), the Security Council authorized the continued deployment of up to 40 police training advisers to support further development of the Timorese national police. Their activities are primarily targeted at the specialized units of the Timorese police, which include the Police Reserve Unit, the Rapid Intervention Unit and the Marine Unit, in addition to the Border Patrol Unit. Assistance is also being provided to the Professional Ethics Office, Crime Scene Office and Public Information Office of the national police and the immigration services, as well as in the areas of close protection, counter-terrorism and explosive ordnance disposal.

23. UNOTIL police training advisers provided three-dimensional support as: (a) field trainers providing on-the-job training; (b) subject matter experts focusing on the training of trainers; and (c) strategic planners who contribute to the strategic development of the Timorese police leadership by engaging them in the organizational planning process. A specific training package was designed for the Rapid Intervention Unit, aimed at providing refresher training in crowd and riot control, use of force and human rights protection. A standardized approach was adopted to ensure that the training provided conformed to similar programmes implemented by the Timorese Police Academy with support from bilateral partners such as Australia and the United Kingdom (see para. 25 below).

24. UNOTIL police advisers attached to the immigration unit provided technical assistance in drafting the readmission agreement and in designing border-crossing passes. In addition, they completed a training manual on immigration and safe handling of weapons, which was handed over to the Timorese police. UNOTIL police advisers also helped to finalize an inter-government agency cooperation agreement, by which the immigration, customs and quarantine departments may assist the under-resourced Marine Unit in the task of conducting maritime surveillance of 700 km of coastal borders. Finally, UNOTIL police training advisers assisted in the establishment and development of the counter-terrorism section within the intelligence section of the Timorese police.

25. All activities undertaken by UNOTIL police training advisers during the reporting period were closely coordinated with the relevant units of the Timorese

police, in order to ensure the sustainability of police development efforts and facilitate local ownership of the process. UNOTIL police training advisers also worked in close coordination with bilateral and multilateral partners to integrate and complement their respective efforts. For example, UNOTIL police training advisers and the Timor-Leste Police Development Project, supported by Australia and the United Kingdom, jointly designed a four-week training programme for police station commanders which commenced on 25 July. The UNOTIL police component also held regular meetings with interested donors to strengthen cooperation and plan integrated training initiatives for further development of the Timorese police.

26. As reported in paragraph 10 above, the second meeting of the consultative group, which took place on 26 July, addressed issues related to further development of the Timorese national police, including the Border Patrol Unit. The meeting was attended, among others, by the General Commander of the national police and some 35 Timorese police officers, the Commander of the Border Security Task Force of the Indonesian army, Indonesian army officers from Kupang and Denpasar and UNOTIL police and military training advisers. Agreement was reached on the need to develop the managerial leadership of the Timorese police; improve the integration and coordination of bilateral and multilateral assistance to the police; and enhance the accountability of the police and ensure effective border management by the Border Patrol Unit and the Indonesian army. These goals will form an integral part of the strategy of the UNOTIL civilian police component in the coming months.

27. In an effort to further develop the capacity of the Timorese national police, a group of five Timorese police officers was recently selected to serve with the civilian police component of the United Nations Interim Administration Mission in Kosovo (UNMIK). These officers will be posted to work with their international counterparts in the Mission, alongside the Kosovo Police Service, in managerial and operational areas. It is hoped that through their one-year assignment to UNMIK, the Timorese police officers will gain valuable experience, skills and knowledge which they can share with their national colleagues upon return to normal service with the national police of Timor-Leste.

Support for development of the Border Patrol Unit

28. With regard to UNOTIL assistance to the development of the Border Patrol Unit, the mandate provides for up to 35 additional advisers, of whom 15 may be military advisers. As indicated in my previous report to the Security Council (S/2005/310, para. 24), the additional 20 positions are being filled by police training advisers. The advisers are mandated, inter alia, to assist the Timorese police in developing procedures and training programmes for the Border Patrol Unit and to assist the Government in coordinating contacts with the Indonesian military, with the objective of enabling the Border Patrol Unit to assume full responsibility for such coordination as soon as possible.

29. A joint concept of operations was developed to ensure close cooperation between the police and the military training advisers tasked with further development of the Border Patrol Unit. Joint operations and reporting mechanisms have been established at UNOTIL headquarters, where police and military training advisers plan and coordinate their activities in the three border sectors of Bobonaro, Cova Lima and Oecussi while maintaining regular contact with the Timorese national police headquarters. Joint military and police training adviser teams are

deployed to each of the three border sectors. Military training advisers are primarily responsible for facilitating relations between the Border Patrol Unit and its Indonesian counterpart, while police training advisers provide training and mentoring to the Border Patrol Unit.

30. UNOTIL police and military advisers jointly visited all Border Patrol Unit posts, where they gave guidance to officers in the management of operational information and other aspects of their work. Similar visits have commenced to all district headquarters of the Border Patrol Unit. During the reporting period, UNOTIL military training advisers also finalized a border management training curriculum with detailed lesson plans to be implemented towards the end of August 2005.

31. In accordance with their coordination role, UNOTIL military advisers supported several tactical-level meetings between the Border Patrol Unit and its Indonesian counterpart at various junction points along the border. They also monitored the conduct of family meetings and, in cooperation with UNOTIL police advisers, supported direct negotiations between the Border Patrol Unit and the Indonesian army on the establishment of a new border management mechanism, which was discussed at the third meeting of the Joint Ministerial Commission, held in Jakarta on 7 and 8 July (see para. 7 above). At a fourth round of negotiations held at Motaain on 13 July, the Border Patrol Unit engaged in direct dialogue with the Indonesian army, reflecting the Unit's increased competence and confidence.

Programme III
Provision of training in observance of democratic governance and human rights

32. Security Council resolution 1599 (2005) authorizes the deployment of up to 10 human rights officers to provide training in the observance of democratic governance and human rights. Following a request from the Government, six human rights officers have been assigned to various State institutions to provide direct assistance in the areas of human rights and democratic governance, while the remaining four officers are based at UNOTIL headquarters. The primary objective of UNOTIL human rights officers is to assist State institutions in the development of long-term plans for human rights capacity-building, including through the continued transfer of skills and knowledge to national human rights officers. In this respect, UNOTIL continued to work closely with UNDP and other relevant United Nations system actors in Timor-Leste, seeking to maximize the collective impact of various United Nations initiatives to build human rights capacity at the national, district and local levels.

33. During the reporting period, the UNOTIL Human Rights Unit focused, in particular, on building the institutional capacity of the newly established Office of the Provedor for Human Rights and Justice. In order to maximize exposure to long-term institutional development assistance beyond the end of the Mission's mandate, the Unit facilitated contacts between the Office of the Provedor and various regional and international human rights networks. In addition, the Unit continued to support the development of the capacity of the Ministry for Foreign Affairs and Cooperation to discharge the reporting obligations for the various human rights treaties to which Timor-Leste is a party, and to assist in the completion of the final report of the Commission for Reception, Truth and Reconciliation, which is due to be published towards the end of September 2005.

34. UNOTIL human rights officers also cooperated with the Ministry of the Interior through the provision of training on human rights and the use of force to the national police, including the Rapid Intervention and Police Reserve Units. A "training-of-trainers" course was also implemented, providing 46 police trainers with in-depth knowledge of human rights, use of force, arrest and detention practices and interview techniques. In addition, UNOTIL, in collaboration with the Government and the national police, launched a training manual on human rights designed for use in the instruction of police officers and new recruits.

35. Finally, the UNOTIL Human Rights Unit continued to review the human rights situation in the country, to ensure targeted assistance to State institutions and to contribute to the overall promotion and protection of human rights in Timor-Leste. The Unit supported the development of non-governmental capacity for human rights monitoring, providing technical training on the establishment of a human rights database to five local human rights non-governmental organizations.

B. Role of the United Nations system

36. Despite significant progress towards the achievement of the goals laid out in the national development plan, Timor-Leste still has the lowest level of human development in East Asia and the Pacific and remains among the 20 poorest countries in the world. Moreover, economic growth is expected to be modest in 2005 due to stagnant employment opportunities, a continued downsizing of the international presence and a decline in bilateral and multilateral assistance. As potential revenues from oil and gas exploitation remain uncertain, the country will continue to depend on external assistance to finance its economic, social and human development and to reduce overall poverty.

37. The World Bank continued to administer the transition support programme, a multidonor grant-funded programme which contributed some $30 million to the national budget of Timor-Leste. Since April 2005, the programme has supported, inter alia, the rehabilitation of 10 market sites, the training of 354 new entrepreneurs, training programmes in entrepreneurship and financial management, the establishment of an electronic information centre for agriculture, and the completion of the national education policy framework. The World Bank also continued to coordinate a consolidation support programme, a budget support programme which contributes some $10 million to $15 million to the national budget. The budget support has primarily served to strengthen the capacity of staff in the Ministry of Planning and Finance, line ministries and districts, particularly in the areas of planning and financial management. Increased support by the World Bank to institutional capacity-building in the finance sector, in close cooperation with IMF and other development partners, is expected to facilitate the transition from UNOTIL to a sustainable development assistance framework. In addition, the Asian Development Bank has introduced a new development grants facility to finance the rehabilitation of roads, urban water supply and sanitation.

38. UNDP continued to focus on democratic governance. The UNDP Institutional Capacity Development Support Programme provided support to State institutions, including the National Parliament, while the UNDP Justice Sector Support Project focused on the training of judges, prosecutors and public defenders, in coordination with UNOTIL judicial advisers. On 28 July, Brazil and UNDP launched a

programme for the provision of four advisers to the judiciary sector, including one judge, one prosecutor and two public defenders. At the local level, UNDP and the United Nations Capital Development Fund helped the Ministry of Internal Administration to pilot a decentralized government programme, under which seven local assemblies were established in Bobonaro district to serve as the centre for local planning and decision-making processes.

39. Together with the United Nations Office for Project Services, UNDP continued to implement community activation programmes, that help communities to start small-scale businesses. Moreover, in cooperation with the International Labour Organization, UNDP began the implementation of the Skills Training for Gainful Employment Programme. Meanwhile, the United Nations Educational, Scientific and Cultural Organization and the United Nations Children's Fund (UNICEF) supported the national plan for non-formal education, which targets out-of-school youth and women in rural areas.

40. In anticipation of possible food shortages in the coming months, several initiatives have been undertaken to ensure effective coordination of food aid. An inter-ministerial commission on food aid has been established, with the assistance of international food agencies and donors, to identify the areas that are most likely to be vulnerable to food shortages. In accordance with a contingency plan to guarantee food security, the World Food Programme (WFP), in cooperation with the Government, has begun to put in place strategic food reserves supplied by local purchase of rice from surplus production areas. WFP and the Government also began to implement a mother and child health service and school feeding programmes in areas identified as disadvantaged. Meanwhile, the Food and Agriculture Organization of the United Nations (FAO), in cooperation with the Ministry of Agriculture, Forestry and Fisheries and the Secretariat of State for Labour and Solidarity, launched a project providing agricultural inputs and training to help some 1,000 ex-combatants to resume their livelihood activities. FAO also assisted the Ministry of Agriculture, Forestry and Fisheries in the development of an agricultural statistics system for the collection and analysis of agricultural sector data.

41. In the health sector, the United Nations Population Fund (UNFPA) supported the improvement of emergency obstetric care in district hospitals. The World Health Organization (WHO) continued to assist the Ministry of Health in strengthening the integration of disease surveillance and prevention and control of communicable diseases, such as malaria, tuberculosis and leprosy, in all 13 districts, while UNICEF helped the Ministry of Health to implement systematic outreach activities to support health services targeting mothers and children. UNICEF also assisted the Government in complying with its reporting obligations under the Convention on the Rights of the Child and, as of 21 May 2005, took over a civilian adviser's post at the Ministry of Education that was previously funded by UNMISET.

42. The United Nations Development Fund for Women (UNIFEM) provided training to 795 male and female candidates in the local elections and is developing a training programme for elected female officials in cooperation with the National Institute for Public Administration. UNIFEM continued to support the Office for the Promotion of Equality, including in meeting its reporting obligations under the Convention on the Elimination of All Forms of Discrimination against Women. The Office of the United Nations High Commissioner for Refugees (UNHCR) continued

to encourage the development of national law and regulations for the protection of refugees and to support the enhancement of capacity of the Asylum Unit within the Department of Immigration.

IV. Financial aspects

43. The initial operation of UNOTIL for the period from 21 May to 30 September 2005 is being funded under the provisions of General Assembly resolution 58/273, on unforeseen and extraordinary expenses, and by using the savings achieved under other special political missions' budgets. A separate report presenting a full budget of UNOTIL for the period up to December 2005 is under preparation and will be submitted to the General Assembly at the beginning of its sixtieth session. Similarly, requirements for UNOTIL for 2006 will be included in a consolidated report of the Secretary-General on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council, to be submitted to the General Assembly at its sixtieth session.

V. Observations

44. Since its establishment, UNOTIL has continued the efforts made by UNMISET over the past three years to strengthen the capacity of the Timorese State institutions and security forces. In this respect, UNOTIL has focused on the transfer of skills and knowledge to further enhance the capacity of the Timorese public administration and national police to deliver the necessary services in accordance with established principles of democratic governance and human rights. Special emphasis has been placed on the coordination of international assistance through the consultative group, which brings together a wide range of stakeholders, and through weekly policy review and coordination meetings, in order to ensure a smooth and rapid transition to a sustainable development assistance framework by the end of the UNOTIL mandate on 20 May 2006.

45. During the reporting period, Timor-Leste has made further advances towards the threshold of self-sufficiency. Progress has also been made in strengthening the country's legal and institutional framework — including the adoption of a number of key pieces of legislation — which is expected to enhance democratic governance, promote respect for the rule of law and facilitate economic activities. As a result of these positive developments, the reduction in the number of United Nations civilian advisers which accompanied the transition from UNMISET to UNOTIL has not had a negative impact on the Timorese public administration and has been largely offset by a review of the advisers' competencies and distribution across the various State institutions, in an effort to respond more effectively to priority needs.

46. The 45 advisers who have been retained continue to provide key assistance to the further development of the Timorese finance sector, where lack of transparency and accountability could threaten the country's long-term economic and social development. Even more essential is the support which UNOTIL and UNDP continue to provide to the Timorese judiciary, which is unlikely to become fully self-sufficient before 2007. Although the support of UNOTIL to the training programme for national judges, prosecutors and defence lawyers is due to end in May 2006, additional on-the-job training will need to be provided before the

Timorese judicial personnel are able adequately to fulfil their functions without any international assistance.

47. UNOTIL police training advisers began implementation of an advanced training programme for the Timorese national police. In this regard, it should be noted that although the skills and competencies of the Timorese police have been considerably enhanced, instances of excessive use of force and human rights violations by police officers, including against members of political opposition groups, continue to be reported. Training in the observance of democratic governance and human rights, for members of the Timorese police and other Government officials, will remain an important priority for the remainder of the UNOTIL mandate.

48. The overall security situation remained calm, and relations between Timor-Leste and Indonesia continued to improve. With continued support from the UNOTIL military training advisers, the Border Patrol Unit has begun to engage in direct dialogue with its Indonesian counterpart, which bodes well for their future interaction once the UNOTIL mandate comes to an end. Timor-Leste and Indonesia have also recognized the importance of concluding a border management agreement by the end of the year. The UNOTIL military training advisers will continue to provide both parties with the necessary support to finalize the agreement and establish a mechanism to facilitate the resolution of border incidents. Despite consultations with neighbouring countries, UNOTIL has not been able to secure contingency arrangements to ensure the safety of its personnel. As a result, UNOTIL would have to rely solely on civilian air assets for the evacuation of its staff in the event of an emergency.

49. Finally, the end of the UNMISET mandate brought the serious crimes process to a close. Although the Serious Crimes Unit has made an important contribution to achieving justice, it was able to investigate fewer than half of the estimated 1,450 murders committed in 1999. In this connection, I would like to appeal to the Governments of Timor-Leste and Indonesia, and to the international community as a whole, to ensure that all those responsible for the serious crimes committed in 1999 are held accountable, so as to respond to the desire for justice of all those affected by the violence.

50. In conclusion, I would like to pay tribute to my Special Representative, Sukehiro Hasegawa, and to all the men and women of UNOTIL, for their dedicated efforts to discharge the mandate entrusted to the Mission by the Security Council.